

**ONE HUNDRED FIRST LEGISLATURE - FIRST SESSION - 2009**  
**COMMITTEE STATEMENT**  
**LB261**

---

**Hearing Date:** Monday January 26, 2009  
**Committee On:** Transportation and Telecommunications  
**Introducer:** Rogert  
**One Liner:** Provide for use of machine-readable information encoded on drivers' licenses and state identification cards

---

**Roll Call Vote - Final Committee Action:**  
Advanced to General File with amendment(s)

---

**Vote Results:**

<b>Aye:</b>	7	Senators Campbell, Fischer, Gay, Hadley, Janssen, Lautenbaugh, Stuthman
<b>Nay:</b>	1	Senator Louden
<b>Absent:</b>		
<b>Present Not Voting:</b>		

---

**Proponents:**

Senator Kent Rogert  
Jim Moylan  
Steve Moskovits  
William Brewer Jr.  
Laurie VanderWal  
Kathy Siefken  
Kimberly Hall  
Jim Otto

**Representing:**

Introducer  
Nebraska Licensed Beverage Association  
No Frills Supermarket & Nebraska Grocers  
No Frills Supermarkets  
VanderWal Agency  
Nebraska Grocery Industry Association  
First Data  
Nebraska Restaurant Association

**Opponents:**

Jaimee Napp  
Laurel Marsh  
Diane Riibe

**Representing:**

Identity Theft Action Council of Nebraska  
ACLU Nebraska  
Project Extra Mile

**Neutral:**

Beverly Neth

**Representing:**

Department of Motor Vehicles

---

**Summary of purpose and/or changes:**

LB 261 allows a retailer who sells alcohol, tobacco, or lottery tickets to store certain machine-readable information encoded into a driver license or identification card.

The bill amends § 60-4,111.01 to expand the compilation and storage of certain machine-readable information stored in a driver license or identification card.

A retailer who sells alcohol, tobacco, or lottery tickets may scan the machine-readable information of the license presented for sale of the product and store the age and license/identification number. The retailer must post a sign giving the license holder notice of the storage of information.

---

The information will be used by law enforcement agencies for enforcing the age restrictions on the purchase of these products.

A programmer for computer software designed to store this information must certify that the software is capable of only storing the allowed information. Intentional or gross negligence on the part of the programmer shall be a Class IV felony (max of 5 years in prison and/or a \$10,000 fine).

If the license holder gives his or her written or electronic permission, the retailer may also compile and store the name and address encoded on the license. The retailer may not sell any of the information stored. A violation of this provision shall be a Class IV felony.

---

**Explanation of amendments:**

The committee amendment, AM182, strikes the original sections and becomes the bill. The amendment clarifies that any person who trades or sells machine-readable information is guilty of a Class IV felony. The amendment also makes any violation of the exceptions provided in subsections (3) or (4) a Class IV felony.

The amendment strikes Section 1, subsection (4) of the original bill so that a retailer may not store additional information from the machine-readable information with the written authorization of the license or identification card holder.

The amendment adds a new subsection (4) to allow for a person having access to the machine readable information to scan, compile, store, and preserve the information for the purpose of providing it to a consumer reporting agency subject to the federal Fair Credit Reporting Act, to administer or enforce a transaction requested by the license holder, to protect against fraud or unauthorized claims, or for resolving a dispute or inquiry by the license holder.

---

Deb Fischer, Chairperson